



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0578	Title:	Health corps for in-home medical care
Primary Sponsor:	Caferro, Mary	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$16,823	\$16,931	\$17,164	\$17,385
Federal Special Revenue	\$17,041	\$16,925	\$16,809	\$16,705
Revenue:				
Federal Special Revenue	\$17,041	\$16,925	\$16,809	\$16,705
Net Impact-General Fund Balance:	<u>(\$16,823)</u>	<u>(\$16,931)</u>	<u>(\$17,164)</u>	<u>(\$17,385)</u>

Description of fiscal impact:

HB 578 provides for the creation of the Montana Health Corps, a group of retired physicians who would provide home health care to patients eligible for Medicare and Medicaid, and puts limits on the charges they may submit for these visits.

FISCAL ANALYSIS

Assumptions:

1. If claims submitted by Health Corps are processed through the state Agency Wide Accounting and Client System (AWACS), these claims could be processed using current HRD staff. The division would need approximately .25 FTE, Administrative Specialist, pay band 5, to develop the program and maintain the database = \$8,614 per year.
2. The FTE would be funded using 100% general funds, with a 2.5% inflationary factor in FY 2012 & FY 2013.

3. It is assumed that 3% of the state's 84,160 Medicaid enrollees would receive a service from the Health Corps in a state fiscal year ($3\% \times 84,160 = 2,525$ recipients). The bill stipulates \$10 per visit, therefore $\$10 \times 2,525 = \$25,250$ total cost per year.
4. The current Federal Medical Assistance Percentage (FMAP) is as follows:

Fiscal Year	State %	State Share	Federal %	Federal Share	Total Funds
FY 2010	32.51%	\$8,209	67.49%	\$17,041	\$25,250
FY 2011	32.94%	\$8,317	67.06%	\$16,933	\$25,250
FY 2012	33.01%	\$8,335	66.99%	\$16,915	\$25,250
FY 2013	33.01%	\$8,335	66.99%	\$16,915	\$25,250

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.25	0.25	0.25	0.25
<u>Expenditures:</u>				
Personal Services	\$8,614	\$8,614	\$8,829	\$9,050
Benefits	\$25,250	\$25,250	\$25,250	\$25,250
TOTAL Expenditures	<u>\$33,864</u>	<u>\$33,864</u>	<u>\$34,079</u>	<u>\$34,300</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$16,823	\$16,931	\$17,164	\$17,385
Federal Special Revenue (03)	\$17,041	\$16,933	\$16,915	\$16,915
TOTAL Funding of Exp.	<u>\$33,864</u>	<u>\$33,864</u>	<u>\$34,079</u>	<u>\$34,300</u>
<u>Revenues:</u>				
Federal Special Revenue (03)	\$17,041	\$16,925	\$16,809	\$16,705
TOTAL Revenues	<u>\$17,041</u>	<u>\$16,925</u>	<u>\$16,809</u>	<u>\$16,705</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$16,823)	(\$16,931)	(\$17,164)	(\$17,385)

Technical Notes:

1. This bill states that a health corps member may charge \$10 for a patient contact and may submit a charge to Medicare or Medicaid. The state may not legislate Medicare services. Therefore, this fiscal note applies to Medicaid services only.
2. This bill states that a purpose of this bill is to provide home health care visits for patients who have trouble traveling. It is unclear 1) the extent to which there may be travel expenses that participating physicians may incur, and 2) who would be responsible for these travel expenses.

Sponsor's Initials_____
Date_____
Budget Director's Initials_____
Date